



NASA Ames Research Center
Electric Power Office (EPrO)
MS 213-8
Moffett Field, California 94035-1000

August 12, 2004

TO: Ms. Debbie Dietz, Rates Manager
Sierra Nevada Customer Service Region
Western Area Power Administration
Sierra Nevada Region
114 Parkshore Drive
Folsom, CA 95630-4710

FROM: George Sutton, NASA Ames Research Center

SUBJECT: 2005 Proposed Rates Adjustment (FRN 69 FR 26370)

Dear Ms. Dietz:

NASA-Ames Research Center (NASA-Ames) is pleased to submit these comments on Western Area Power Administration's (Western) 2005 Proposed Rates Adjustment for the Central Valley Project (CVP), California-Oregon Transmission Project, and Pacific Alternating Current Intertie. These comments are being submitted on behalf of both of NASA-Ames's accounts for Ames Campus and the Eastside-Airfield/NASA Research Park (Moffett Federal Airfield).

NASA-Ames commends Western for the excellent job it has done explaining its 2005 rate proposals and for Western's detailed responses to the questions submitted by NASA-Ames and other preference power customers following the Public Information Forum on May 18, 2004. These materials have significantly improved our understanding of how Western will establish rates and recover its revenue requirements under the new Power Marketing Plan that will be implemented January 1, 2005.

In addition, we appreciate Western's proposal to better align the monthly Base Resource Revenue requirement with CVP generation. The proposed 25/75 split of annual revenue requirement between the October through March and April through September periods, respectively, should help reduce monthly per unit cost variations for Western's customers and better track seasonal market power prices. This addresses a concern raised by NASA-Ames earlier in the rates process. While NASA-Ames still has some questions about the methodology Western will use to allocate its Base Resource requirement under the new marketing plan, and while we remain concerned about how the expiration of Contract -2848A may affect our transmission and other costs, we generally support the rate proposals outlined in the 2005 Proposed Rates Adjustment.

NASA-Ames looks forward to continuing to work with Western and the other preference power Customers to ensure that CVP power provides the greatest possible benefit for NASA-Ames and all of Western's Customers.

Respectfully submitted,

George Sutton
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